

PUBLIC SAFETY DEPARTMENT[661]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 103.6, the Electrical Examining Board hereby gives Notice of Intended Action to amend Chapter 501, “Electrician and Electrical Contractor Licensing Program—Administrative Procedures,” and Chapter 502, “Electrician and Electrical Contractor Licensing Program—Licensing Requirements, Procedures, and Fees,” Iowa Administrative Code.

Iowa Code chapter 103 establishes the Iowa Electrician and Electrical Contractor Licensing Program and creates the Electrical Examining Board with authority to establish standards for the safety of electrical work and for the licensing of electricians and electrical contractors. The proposed amendments establish procedures for issuing licenses to master electricians licensed in states which have entered into reciprocal licensing agreements with the Board, establish procedures for issuance of renewal or new licenses to electricians and electrical contractors whose previous licenses have expired, correct, through the rescission of subrule 501.5(2), the mailing address of the Board for submitting requests for waivers of administrative rules to the Board, and provide for refunds based on the overpayment of fees or the death of the licensee.

A survey of city building inspection officials showed that local agencies in Iowa have required a passing score of 75 on the electrician and electrical contractor licensing examinations. The passing score varies among states, but has been consistent in Iowa for at least the past five years, and for a much longer time in some cities, and has served to set an expectation that Iowa licenses will be issued only with a passing score of 75.

Iowa is one of 17 states that participate in the National Electrical Reciprocal Alliance, which is designed to facilitate high-quality work by electricians in multiple states. This participation promotes standardization of the work performed by electricians and provides greater flexibility in the trade. Although there are no specific statistics about trends in electrical work in Iowa, related statistics from the construction industry provide a good picture of what has occurred in the electrical trade.

United States Census data show that Iowa suffered less and has recovered faster than its neighboring states during the latest recessionary period. Similarly, Associated General Contractor data also show that Iowa’s economic recovery has occurred faster than the national average. In fact, construction employment in Iowa rose 7 percent from 2008 to 2012, in comparison to the national average of just 1.3 percent, and Iowa ranked fourth out of 51 jurisdictions in construction employment numbers.

Given Iowa’s economic edge in recovering from the recessionary period from 2008 to 2010, it is not surprising to see that measures of both residential and nonresidential construction are stronger in Iowa in comparison to its neighbors. This increases the demand for qualified electrical contractors and electricians from Iowa and from other states. Statistics on reciprocal requests show that far more electricians have been coming to Iowa than leaving the state to do work. As of July 2012, the number of out-of-state electricians who have asked for approval to work in Iowa is three times higher than the number of Iowa electricians who sought approval to work outside of the state. In all, 474 out-of-state electricians have been approved to work in Iowa, but only 47 Iowa electricians have been approved to work in other states.

All residential construction projects, and most other construction projects, include an electrical component. Electrical contractors and electricians who are qualified and available to work on Iowa construction projects have three distinct positive impacts on Iowa jobs. First, electrical contractors may hire Iowa-licensed electricians to do the work, which increases job opportunities for Iowa electricians.

Second, whether the electrical contractors bring workers from outside the state or hire Iowans, they all buy goods from local businesses for their projects, and pay sales tax on those goods. The local economy also benefits when out-of-state workers stay in hotels/motels and eat in restaurants. Third, when the construction project is completed, the infrastructure benefits the community in the long term.

A 2011 study by researchers at Marshall University shows that the greater the number of local employees, the greater the multiplier effect of the wages, goods and services. However, even when labor from outside of the area is used in a construction project, there is a substantial positive impact on the local economy. Kent & Risch, "Economic Impacts of Labor Supply in Construction of a Gas Processing Plant in Marshall County, West Virginia" (2011).

Another study by North Carolina State University's Department of Agricultural and Resource Economics shows that construction projects have an even greater multiplier effect on the local economy than is true for other businesses, in terms of income, employment, goods and services, in both the short term and the long term. In fact, the income multiplier for construction projects is higher than for any other sector, and the employment multiplier is only slightly lower than business and retail services. Walden, "Measuring How Much Economic Change Will Mean to Your Community" (2003).

When Iowa has performed better in the Midwest in the construction industry than neighboring states, the reciprocity that permits an adequate number of qualified electricians to work in the state will have an immediate positive impact on the economy, and the improved infrastructure will continue to benefit the state's economy for many years.

Any interested person may submit written comments regarding these proposed amendments by mail to the Iowa Department of Public Safety, State Public Safety Headquarters Building, 215 East 7th Street, Des Moines, Iowa 50319; fax to (515)725-6195, Attention: Agency Rules Administrator; or e-mail to admrule@dps.state.ia.us by 4:30 p.m. on January 16, 2013. Written comments may also be submitted at the public hearing.

A public hearing will be held to accept oral comments on the amendments proposed herein at 10 a.m. on January 17, 2013, in the First Floor Public Conference Room (Room 125), State Public Safety Headquarters Building, 215 East 7th Street, Des Moines, Iowa.

Rules of the Electrical Examining Board are subject to the procedures for waivers established in rule 661—501.5(103).

After analysis and review of this rule making, there should be a positive impact on jobs. This rule making lessens the burden for electricians to enter into Iowa's market by simplifying the examination process. Further, this rule making should allow Iowans to obtain business in other markets. The Board will continue to work with stakeholders to maximize this rule making's positive impact on jobs.

These amendments are intended to implement Iowa Code chapter 103.

The following amendments are proposed.

ITEM 1. Rescind and reserve subrule **501.5(2)**.

ITEM 2. Adopt the following **new** subrules 502.2(15) and 502.2(16):

502.2(15) Reciprocal master licensing. A master class A license may be issued, without examination, to a person who holds an equivalent license from another state provided that:

a. The board has entered into an agreement with the other state providing for reciprocal issuance of licenses and that the agreement recognizes the equivalency of the examination required for the license issued by the other state and the examination required for the Iowa license to be issued; and

b. The applicant has successfully completed a supervised written examination approved by the other state, with a score of 75 or higher, in order to obtain the license from the other state; and

c. The applicant holds an applicable license from the other state at the time the application for an Iowa license is filed and has held the applicable license from the other state continuously for one year at the time the application for an Iowa license is filed; and

d. The applicant has either:

(1) Completed an approved apprenticeship program; or

(2) Completed 16,000 hours of electrical work as an electrician licensed by the other state, documented by a sworn affidavit signed by the applicant; and

- e.* The applicant has submitted:
- (1) A completed application for the Iowa license;
 - (2) A copy of the applicable license from the other state, clearly showing the license number and any other identifying information;
 - (3) The applicable fee; and
 - (4) Any other information required by the board. Additional information required may include, but is not limited to, additional evidence that the person's license from the other state is currently valid.

502.2(16) License issuance after expiration.

a. As provided in Iowa Code section 103.19, subsection 2, if a license has expired within the three months preceding the date on which the license holder applies for a renewal license, the license holder may be issued the renewal license if the license holder meets the following requirements:

- (1) Submits a completed application;
- (2) Pays the license fee for the renewal period and an additional penalty of 10 percent of the license fee for each month or portion of a month which has elapsed since the expiration date; and
- (3) Has met all other requirements for renewal of the license including, but not limited to, completion of any required units of continuing education approved by the board. Any units of continuing education which are required to qualify the license holder for the renewal license shall not be credited toward meeting the requirements for any subsequent renewal or issuance of any other license by the board.

b. If a license holder has held a license issued by the board which has expired more than three months preceding and less than one year preceding the date on which the license holder applies for a new license, the license holder may be issued a new license of the same type as the expired license, provided that the license holder:

- (1) Submits a completed application accompanied by the license fee for the entire licensing period for which the license is being sought; and
- (2) Pays the applicable license fee, plus a penalty of 10 percent of the license fee for each month or portion thereof which has elapsed since the expiration date of the prior license, but no more than 100 percent of the applicable license fee; and
- (3) Has completed all requirements which would have applied for renewal of the expired license including, but not limited to, completion of any required units of continuing education. If successful completion of a written examination is required for initial issuance of a new license for which the license holder is applying, no examination shall be required in this case.

EXCEPTION: A license holder whose license has expired less than one year previously may apply for a new license provided that all requirements for a new license are met, including successful completion of a supervised written examination with a score of 75 or higher. An examination score used to obtain a previous license may not be used to satisfy this requirement under this exception.

c. If a license holder has held a license issued by the board which expired one year or more preceding the date on which the license holder applies for a new license, the license holder may, upon satisfaction of all of the applicable requirements for a new license of the type for which the license holder is applying, be issued a new license. In this case, any applicable requirements for successfully completing a supervised written examination may not be satisfied by having successfully completed a supervised written examination which was used to satisfy a requirement to obtain a license previously issued by the board.

ITEM 3. Adopt the following **new** subrule 502.3(6):

502.3(6) Refunds of license fees shall be made under the following circumstances:

a. If an error on the part of the staff or the applicant or licensee has resulted in an overpayment of fees, the refund shall be in the amount of overpayment and shall be made when the overpayment is discovered by staff of the board or is requested by the applicant or licensee.

b. If an applicant for an initial or a renewal license dies prior to the effective date of a license for which the applicant has applied and has paid the applicable fee, the license fee shall be refunded to

the estate of the applicant upon receipt of a request from the estate of the applicant, accompanied by a certified copy of the death certificate.